

RISHI TECHTEX LIMITED



RISHI TECHTEX

Registered Office : 612, Veena Killedar Industrial Estate, 10-14, Pais Street, Byculla (W), Mumbai - 400 011.
Tel. No. : 022-23075677, 23074897 Fax : 91 (22) 23080022 E-mail : info@rishitechtext.com
Website : www.rishitechtext.com CIN - L28129MH1984PLC032008

21st October, 2024

To,
The Secretary,
BSE Limited, P.J. Towers, Dalal Street,
Fort, Mumbai – 400 001.

Script Code-523021
ISIN: INE989D01010

Sir,

Sub: Postal ballot Notice

We refer to the outcome of Board Meeting dated October 15, 2024, and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the postal ballot notice seeking approval of the Shareholders of the Company for availing the Inter Corporate Loan (in the form of accepting Inter- Corporate Deposit) for an amount upto Rs. 5 Cr carrying interest @12% per annum for a tenure up to 5 yrs from the date of acceptance, from Centennial Fabrics Limited, a related party within the meaning of provisions of the Cos Act 2013.

In compliance with the applicable circulars, this postal ballot notice is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories and whose names are recorded in the Register of Members / Register of Beneficial Owners as on the Cut-off date i.e. Friday, October 18, 2024.

The Company has engaged the services of Central Depositories Services Limited (CDSL) to provide remote e-voting facility to enable the members to cast their votes electronically. The remote e-voting period shall commence from 9:00 a.m. (IST) on Tuesday, October 22, 2024, and shall end at 5:00 p.m. (IST) on Wednesday, November 20, 2024. The voting rights of the Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on Cut-off date. The shareholders are required to communicate their assent or dissent through the remote e-voting system only.

The Postal Ballot notice is also available on the Company's website at www.rishitechtext.com

You are requested to take the same on record.

Thanking You

Yours Faithfully
For Rishi Techtex Limited

Gauri Gangal
Company Secretary



RISHI TECHTEX

Rishi Techtex Limited

CIN : L28129MH1984PLC032008

Regd. office: 612 Veena Killedar Indl. Estate, 10/14 Pais Street, Byculla (W), Mumbai 400 011.

Tel No. 022-23075677/23074585 Fax No. 022-23080022

E-mail: info@rishitechtext.com | Website: www.rishitechtext.com

Postal Ballot Notice

Pursuant to Sections 108 and 110 of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014

Dear Member(s),

Notice is hereby given pursuant to the provisions of Sections 108 and 110, and other applicable provisions of the Companies Act, 2013, as amended ("the Act"), read together with the Companies (Management and Administration) Rules, 2014, as amended ("the Management Rules"), General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs, Government of India ("the MCA Circulars"), Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") and any other applicable law, rules, circulars, notifications and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), that the resolution appended below, be passed by the members of the Company (as on the Cut-off Date), through postal ballot ("the Postal Ballot") only by way of remote e-voting ("e-voting") as an Ordinary resolution:

An Explanatory Statement pertaining to the said resolution setting out the material facts and the reasons / rationale thereof form part of this Postal Ballot Notice ("the Notice" or "the Postal Ballot Notice").

Pursuant to compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the LODR Regulations") and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolution is restricted only to e-voting i.e., by casting votes electronically instead of submitting postal ballot form. Accordingly, the Postal Ballot Notice and instructions for e-voting are being sent only through electronic mode to those members whose email address is registered with the Company / Depository Participant ("DP").

The Board has appointed M/s. Sudhanwa S. Kalamkar & Associates, Practicing Company Secretaries, (Membership No. 18795, CP No. 7692) as the scrutinizer ("Scrutinizer") for conducting the Postal Ballot / e-voting process in a fair and transparent manner.

Pursuant to compliance with the provisions of Sections 108 and 110 of the Act read with Rule 20 and 22 of the Management Rules, Regulation 44 of the LODR Regulations, and SS-2, the Company has provided e-voting facility to its members to cast their votes electronically. The detailed procedure with respect to e-voting is mentioned in this Notice. The Company has engaged the Central Depository Services (India) Limited (CDSL) for facilitating e-voting.

Members desiring to exercise their votes are requested to carefully read the instructions indicated in this Notice and record their assent (FOR) or dissent (AGAINST) by following the procedure as stated in the Notes forming part of the Notice.

The e-voting facility will be available during the following period:

Commencement of E-voting period	22 nd October, 2024
Conclusion of E-voting period	20 th November, 2024
Cut-off date for eligibility to vote	18 th October, 2024

The e-voting facility will be disabled by CDSL immediately after 5.00 p.m. IST on Wednesday, November 20, 2024, and will be disallowed thereafter.

The Scrutinizer will submit his report to the Chairman of the Company (“the Chairman”) or any other person authorized by the Chairman, and the result will be announced within 48 hours from the conclusion of the e-voting period i.e. on or before 5.00 PM IST on Friday, November 22, 2024. The result declared along with the Scrutinizer’s report shall be communicated in the manner provided in this Postal Ballot Notice.

The last date of e-voting, i.e. November 20, 2024, shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

RESOLUTION SEEKING PRIOR APPROVAL OF MEMBERS FOR AVAILING INTER-CORPORATE LOAN:

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT**, pursuant to provisions of Reg 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the approval granted by Members pursuant to provisions of section 180 (1)(c) of the Companies Act 2013 (“the Act”) vide Ordinary resolution passed at the 35th Annual General Meeting held on 25th September, 2019, approval of Members be and is hereby given to the Board to exercise its powers pursuant to the provisions of Section 179(3)(d), read with the Companies (Meetings of Board and its Powers) Rules, 2014, and to avail an Inter-Corporate Loan in one or more tranche from Centennial Fabrics Limited, for an aggregate amount not exceeding Rs. 5,00,00,000 (Rupees Five Crores only) at an interest rate of 12% per annum for a period upto five years, to meet the working capital requirements/general corporate purposes of the Company.

RESOLVED FURTHER THAT, subject to approval of Members granted through this resolution Mr. Abhishek Patel, Managing Director and Mr. Jagdish Dokwal, Chief Financial Officer of the Company be and is hereby severally authorized, on behalf of the Company, to negotiate, finalize, and execute all agreements, deeds, undertakings, and other relevant documents with Centennial Fabrics Limited and to do all such acts, deeds, matters, and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT a certified true copy of this resolution be provided to all concerned parties and authorities as may be required.”

Date: 15.10.2024

Place: Mumbai

By order of the Board

For Rishi Techtex Limited

Registered Office:

612 Veena Killedar Industrial Estate,

10/14, Pais Street, Byculla (W),

Mumbai-400011.

Gauri Gangal

Company Secretary

Note:

1. The explanatory statement pursuant to Section 102 read with Section 110 of the Act and Rule 22 of the Companies (Management and Administration) Rules, 2014 each, as amended stating all material facts and the reason/ rationale for proposed resolutions is annexed herewith.
2. This Postal Ballot Notice is being sent to the members whose names appear on the register of members / list of beneficial owners as received from the National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) and whose email address is registered with the Company / Depository Participant(s), as on October 18, 2024 (“the Cut-off Date”). A person who is not a member as on the Cut-off Date should treat this Postal Ballot Notice for informational purposes only. In compliance with Regulation 44 of the LODR Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolutions is restricted only to e-voting i.e., by casting votes electronically instead of submitting the postal ballot form. Accordingly, the physical copy of the Notice along with the postal ballot form and the pre-paid business reply envelope are not being sent to the members. The communication of the assent or dissent of the members would only take place through the e-voting system.
3. Once the vote on the resolution is cast by the member, he / she shall not be allowed to change it subsequently. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on October 18, 2024, being the Cut-off Date fixed for the purpose.
4. The resolution, if passed by the requisite majority through Postal Ballot, will be deemed to have been passed on the last date specified for voting i.e., November 20, 2024. Further, resolution passed by the members through postal ballot are deemed to have been passed as if they are passed at a general meeting of the members.
5. The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman after the completion of scrutiny of the e-voting, and the result of the e-voting by Postal Ballot will be announced within 48 hours from the conclusion of e-voting i.e. on or before 5.00 PM IST on Friday, November 22, 2024 and will also be displayed on the Company website www.rishitechtext.com , on the website of CDSL www.evotingindia.com , and communicated to the stock exchanges and Registrar and Share Transfer Agent (RTA).
6. All material documents referred to in the explanatory statement will be available for inspection only through electronic mode on all working days from the date of dispatch until the last date for receipt of votes by e-voting i.e. November 20, 2024. Members may send their requests to investors@rishitechtext.com from their registered e-mail address mentioning their names, folio numbers, DP ID and Client ID during the voting period.
7. Members holding shares in electronic mode, who have not registered their email addresses are requested to register their email addresses with their respective Depository Participant (DP)

Members holding shares in physical mode are requested to update their email addresses with the Company’s RTA at rtaclientservice@adroitcorporate.com. Members may follow the process detailed below for availing other services from RTA:

Type of Holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, Adroit Corporate Services Pvt Ltd, either by email to rtaclientservice@adroitcorporate.com or by post to 18-20, Jafferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri East, Mumbai 400059	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee	Form SH-14
	Form for requesting issue of duplicate certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR-4
	The forms for updating the above details are available at www.rishitechtext.com	
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

8. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities and linking PAN with Aadhaar vide its circulars dated March 16, 2023, and November 17, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA Adroit Corporate Services Private Limited at rtaclientservice@adroitcorporate.com. The forms for updating the same are available at www.rishitechtext.com. Members holding shares in electronic form are requested to submit their PAN to their depository participant(s).

THE INTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING:

- Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on Tuesday, October 22, 2024 at 9:00 a.m. and ends on Wednesday, November 20, 2024 at 5:00p.m. and during this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of October 18, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

It has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

	<p>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iv) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • * Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <**Rishi Techtex Limited**> on which you choose to vote.
- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; askus@kalamkarassociates.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911.

Explanatory Statement under section 102 of Companies Act, 2013

Subject: SEEKING PRIOR APPROVAL OF MEMBERS FOR AVAILING INTER-CORPORATE LOAN

The Board of Directors of Rishi Techtex Limited (“the Listed Entity / Company”) proposes to avail an Inter Corporate Loan in the Form of Inter-Corporate Deposit (ICD) from Centennial Fabrics Limited; a related Party within the meaning of the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

Under the present provisions of Cos Act 2013, the Board can independently exercise the power to borrow funds pursuant to section 179 (3) (d), subject to adhering the limits on borrowing set by the provisions of section 180 (1) (c) and/or enhanced by the Members by passing a special resolution.

Members at 35th Annual General Meeting held on 25th September, 2019 has already granted their consent to borrow money in excess of limit set by the provisions of section 180 (1) (c), but the Company as a listed Entity is also subject to compliance of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), under regulation 23, which requires prior approval of Members for entering into a related party transaction.

Regulation 23 of the SEBI Listing Regulations, which *inter alia*, states that all Material Related Party Transactions (‘RPTs’) shall require prior approval of the Members by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm’s length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1,000 crore or 10% of its’ annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower

The Company had already obtained the approval of the Shareholders for the related party transaction(s) with Centennial Fabrics Limited at its 39th Annual General Meeting held on 15th September 2023. This approval has been given for the transaction of sale/purchase of raw material/semi-finished products between the two companies, However, the proposed transaction of availing Inter-Corporate Loan is a transaction of different nature and therefore the approval already granted by the Members does not get extended for the proposed transaction and therefore a separate approval of the Members in compliance with Regulation 23 of SEBI (LODR) Regulation, 2015, is required.

The Proposed Inter- Corporate Loan in the form of Inter-Corporate Deposit (ICD) is for an amount of Rs. 5,00,00,000/- (Five Crores only) and will carry an interest rate of 12% per annum, which is considered competitive and aligned with the prevailing market rates for such type of borrowings. The tenure of the ICD will be for 5 years from the date of disbursement. The terms of the transactions have been reviewed to ensure that the transaction is at arm’s length basis, and a Certificate has been obtained from the Statutory Auditors about the fairness of terms of the transaction and rate of interest that the listed entity is required to pay.

As the proposed ICD from Centennial Fabrics Ltd, is a material related party transaction, with a value exceeding the prescribed threshold under Regulation 23, prior approval through Ordinary Resolution is required to enter into this transaction.

The proposed transactions between the Listed Entity and Centennial Fabrics Limited, being material have already been approved by the Audit Committee, at its meeting held on 7th October, 2024 and also approved by the Board at its meeting held on 15th October, 2024 for approval by the Members.

This Explanatory Statement may also be regarded as a disclosure of the information required pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended.

The details of the proposed transactions between the Listed Entity and Centennial Fabrics Limited as required under SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021, are given in **Annexure - A** hereto, and form a part of this Notice.

Members may note that as per the provisions of the Listing Regulations, no related party shall vote to approve the resolution, irrespective of whether they are a party to the transaction or not.

Your Directors recommend this resolution for approval by the Members as an Ordinary Resolution.

Except Mr. Abhishek Patel, Ms. Aakanksha Patel and Mr. Jagdish Dokwal and their relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives, have any concern or interest, financial or otherwise in the Resolution.

Annexure A

Details of Material Related Party Transactions, as required, under the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021, are as follows.

Sr No	Particulars	Details
1	Name of Related Party and nature of Relationship	Centennial Fabrics Limited Mrs. Smita Patel, is a part of Promoter group of Rishi Techtex Limited who holds majority stake and directorship in Centennial Fabrics Limited and Mr. Jagdish Dokwal, Key Managerial Personnel of Rishi Techtex Limited is Director of Centennial Fabrics Limited
2	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mrs. Smita Patel, is a part of Promoter group of Rishi Techtex Limited who holds majority stake and directorship in Centennial Fabrics Limited and Mr. Jagdish Dokwal, Key Managerial Personnel of Rishi Techtex Limited is Director of Centennial Fabrics Limited
3	Nature, duration, tenure, material terms, monetary value and particulars of the contract or arrangement	The transaction is in the nature of Inter-Corporate Deposit, is for an amount of Rs. 5,00,00,000/- (Five Crores only) and will carry an interest rate of 12% per annum for a period of 5 years, from Centennial Fabrics Limited.
4	Provision of Security/Guarantee for the re-payment by the Listed Entity	The proposed arrangements are in the nature of unsecured loan and do not contain any clause of guarantee.
5(a)	Details of the source of funds in connection with the proposed transaction	The funds are being provided by Centennial Fabrics Ltd in the nature of Inter-Corporate Deposit.
5(b)	If any financial indebtedness is incurred to make or give such loans/advances/securities for loan and Nature of indebtedness/cost of funds/tenure	Execution of this transaction will result in the listed entity owing amount to Centennial Fabrics Ltd to the extent of Principal amount and interest
5(c)	Applicable terms including covenants, tenure, interest rate, repayment schedule, whether secured or unsecured	The transaction is in the nature of Inter-Corporate Deposit, is for an amount of Rs. 5,00,00,000/- (Five Crores only) and will carry an interest rate of 12% per annum for a period of 5 years, from Centennial Fabrics Limited. The Transaction is unsecured and repayment will be done by equated monthly instalments
6	Any advance paid or received for the transaction	Nil
7	Percentage of the Company's annual turnover for the immediately preceding financial year 2023-2024, that is represented by the value of the proposed transaction	The current transaction is in the nature of borrowing of funds and does not require calculation as a percentage of the company's annual turnover. The Company had previously granted approval for the transactions which are subjected to the provisions of Reg 23 of the SEBI (LODR) Regulations 2015 and such transactions constitute 53.28% of company's annual turnover for the financial year 2022-23.
8	Details about valuation, arm's length and ordinary course of business	Valuation- Not applicable Ordinary Course of Business and Arm's length basis- The terms of the transactions have been reviewed to ensure that the transaction is at arm's length basis and in the best interest of the Company, and a Certificate has been obtained from the Statutory Auditors about the fairness terms of the transaction
9	Rationale/Benefit of the transaction and why this transaction is in the interest of the Company	The ICD is being availed to meet the working capital and some capex purpose. The funds provided by Centennial Fabrics Limited will help the Company meet its liquidity needs and ensure smooth functioning of its operations.
10	Any other information relevant or important for the shareholders to take an informed decision	All relevant/important information forms a part of this Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013

Date: 15.10.2024

Place: Mumbai

Registered Office:

**612 Veena Killedar Industrial Estate,
10/14, Pais Street, Byculla (W),
Mumbai-400011.**

By order of the Board

For Rishi Techtex Limited

Gauri Gangal

Company Secretary

